

<b>REPORT REFERENCE NO.</b>	<b>AGC/24/11</b>
<b>MEETING</b>	<b>AUDIT &amp; GOVERNANCE COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>16 JULY 2024</b>
<b>SUBJECT OF REPORT</b>	<b>INTERNAL AUDIT FOLLOW UP REPORT</b>
<b>LEAD OFFICER</b>	<b>ASSISTANT DIRECTOR, CORPORATE SERVICES</b>
<b>RECOMMENDATIONS</b>	<p><i>(a). That the Committee reviews the updates on progress in addressing the findings of internal audits with a limited assurance opinion to consider whether there is sufficient assurance that appropriate action has been taken in the context of the broader priorities that departments are addressing.</i></p> <p><i>(b). That, subject to (a). above, the report be noted.</i></p>
<b>EXECUTIVE SUMMARY</b>	<p>The Internal Audit Service provides independent assurance to the Service's senior officers and Members that governance, risk management and controls are sufficient in ensuring delivery of the Service's objectives.</p> <p>This report sets out the action taken to address the findings of audits with a limited assurance opinion.</p> <p>Good progress has been made in some areas, but the number of action timelines that have been extended is of concern, doubling in number since the last update report. Challenges with capacity and competing priorities are the predominant cause of this slippage. The Service Leadership Team recognises the current challenges in this regard and a session devoted to reviewing this issue in more detail is scheduled for 26 June 2024.</p>
<b>RESOURCE IMPLICATIONS</b>	Nil.
<b>EQUALITY RISKS AND BENEFITS ANALYSIS</b>	Not applicable.
<b>APPENDICES</b>	A: Update on addressing limited assurance internal audit reports.
<b>BACKGROUND PAPERS</b>	<a href="#"><u>INTERNAL AUDIT FOLLOW UP REPORT MARCH 2024</u></a>

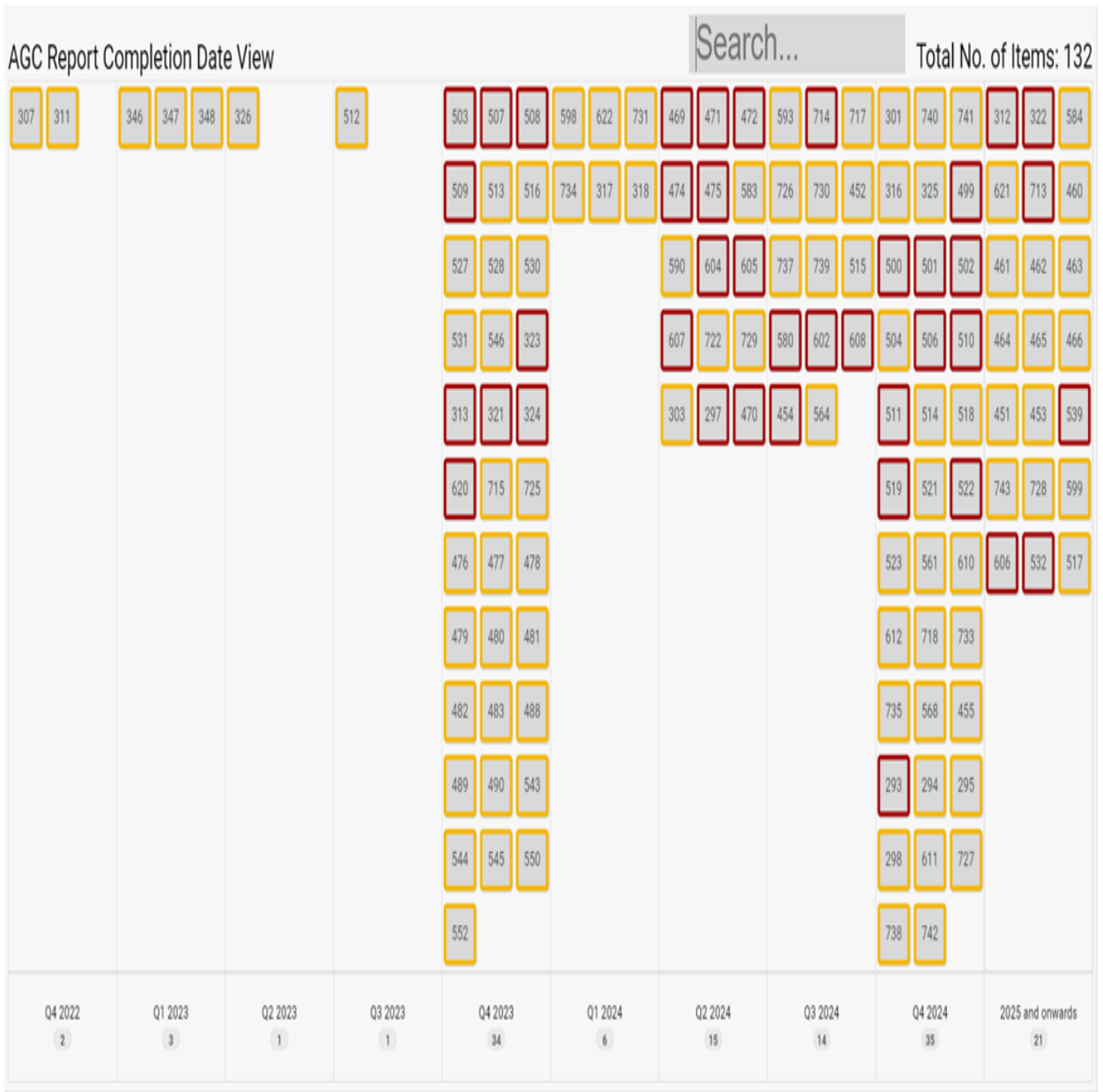
## 1. **INTRODUCTION**

- 1.1. The Internal Audit Plan is a significant source of assurance of the effectiveness of the internal control environment.
- 1.2. The outcomes of internal audits provide varying degrees of assurance, from significant and reasonable assurance to limited or no assurance. Where recommendations for improvements have been made within audit reports, action plans have been agreed with the management team.
- 1.3. The aim of this report is to update Audit & Governance Committee on progress in addressing the recommendations made in the reports that provided an overall limited assurance audit opinion.

## 2. **FOLLOW UP OF PROGRESS**

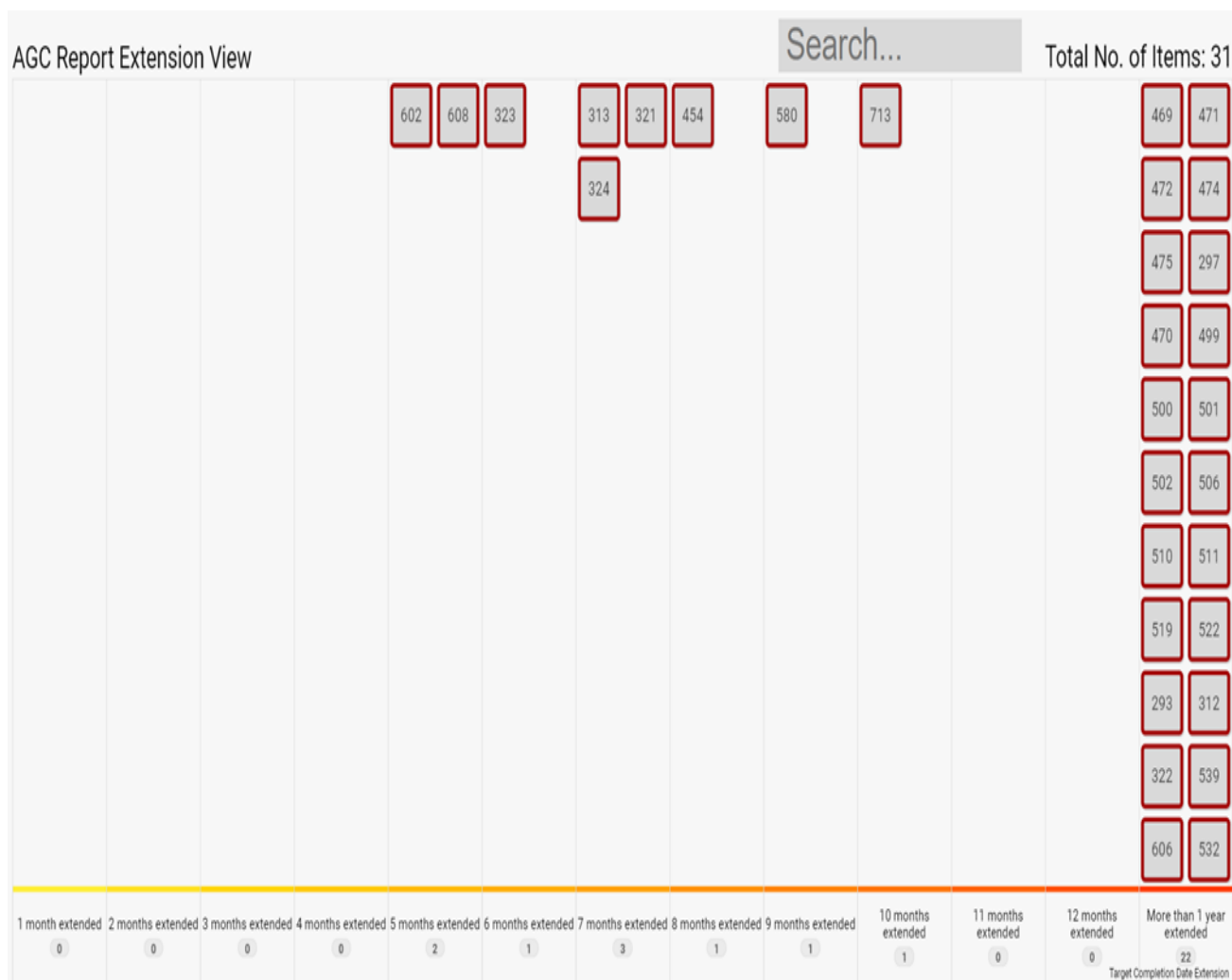
- 2.1. Good progress has been made in addressing the following two audit reports:
  - **Application of Learning:** All actions completed with the exception of three linked to the Grenfell inquiry recommendations. The action spreadsheet and supporting evidence is in the process of being updated with a view to completion by the end of September 2024.
  - **Productivity of the workforce:** The majority of the audit actions have now been completed. The Wholetime Duty System (WDS) Activities Log has been developed as an app which is hosted on SharePoint. Data is presented through a PowerBI dashboard and aligns directly to reporting for national data returns to ensure consistency. The output of this work supports understanding around whether crews are used effectively to support prevention, protection and response. As a result of data captured, improvements to processes are already being identified and acted upon. The work completed to date is due to be formally handed over to the Area Manager Response to present to Executive Board to secure support to maintain the system and develop it further. Alongside this, the Digital Data and Technology department are supporting Service Delivery by reviewing whether their electronic devices are fit for purpose. Work has also progressed to determine which of our paper-based systems could be digitised to reduce the admin burden on stations.
- 2.2. The Audit Tracker on SharpCloud records all recommendations and agreed actions arising from internal audit work.
- 2.3. Chart 1 overleaf presents the open high and medium risk priority actions for the Limited Assurance audits. On the date of reporting on 21 June 2024, there were 92 medium risk actions and 40 high risk priority actions.

**Chart 1: Open actions timeline - High/Medium Risk Priority as at 21 June 2024.**



2.4. Chart 2 overleaf presents the High priority actions that have had their initial planned implementation dates extended.

**Chart 2: 31 High priority actions have had their initial planned implementation dates extended.**



2.5. A summary of progress in addressing the recommendations made in the internal audit reports issued with limited assurance opinions are detailed at Appendix A for those reports requiring further work and where timelines have been extended.

**3. CONCLUSION AND RECOMMENDATIONS**

3.1. Good progress has been made in some areas, but the number of action timelines that have been extended is of concern, doubling in number since the last update report. Challenges with capacity and competing priorities are the predominant cause of this slippage. The Service Leadership Team recognises the current challenges in this regard and a session devoted to reviewing this issue in more detail is scheduled for 26 June 2024.

3.2. Progress in addressing the findings of audits with a limited assurance opinion will be submitted to Extended Leadership Team and Audit & Governance Committee until there is sufficient assurance that appropriate action has been taken.

- 3.3. It is recommended that the Committee reviews the updates on progress to consider whether there is sufficient assurance that appropriate action is being taken to address the audit recommendations in the context of the broader priorities that departments are addressing.

**MARIA PHILLIPS**  
**Assistant Director, Corporate Services**

## APPENDIX A TO REPORT AGC/24/11

### Update on addressing limited assurance internal audit reports

Audit	Executive Summary	Update	Assurance of Progress
<p>Community Safety – Fire Prevention 2021/22</p>	<p>There were continued management gaps highlighted in data quality review, risk-based escalation culture, action logs and process that limited the effectiveness of fire prevention.</p> <p>The lack of accessibility of data and lack of skilled resource within the Prevention Team to analyse the Home Fire Safety data collected limited the ability of the team to be able to challenge and manage performance or to ensure that vulnerable people are re-visited. Linked to corporate red risk CR079 Inability to assure ourselves that the Home Fire Safety data created, held and reported on is correct.</p>	<p>Half of the actions are now completed or closed but further improvement is reliant on introduction of the new Community Fire Risk Management Information System (CFRMIS) which is expected to resolve the challenges with use of the Home Fire Safety App. Implementation will be in two phases. Phase 1, the ‘Protection’ scope is expected to go live by the end of September 2024, with Phase 2, ‘Prevention’ scope, including Home Safety applications planned to follow. A definitive timescale for implementation of Phase 2 has not yet been agreed. In the meantime, there have been some improvements to the App in terms of efficiency and effectiveness and this is subject to ongoing work.</p>	<p>Timelines for delivery of CFRMIS have been extended with delivery of Phase 2 hampered by the initial lack of a Business Analyst to support with requirements gathering, system design and process modelling. This resource has since been allocated but the Project Manager is currently off work. Two high priority audit actions have been extended by more than 12 months: 293 and 297.</p>
<p>Control of working hours 2022/23</p>	<p>This audit found that the processes and software in place to facilitate a controlled way of working, where hours worked can be monitored are not always utilised or are not used in the intended way.</p> <p>Issues were raised in the 2022 audit of the Flexible Duty System regarding staff incorrectly filling out their time sheets, signing off their own time</p>	<p>The new Human Resources (HR) system introduced an improved mechanism for absence and leave recording in January 2024. This functionality enabled managers to view and manage balances of any absences and time recording from February 2024. Communication of the new time and absence recording process was issued to all staff via the Shout Out weekly communication to set expectations around time balance</p>	<p>Whilst some progress has been made with half of the actions closed, delivery of some actions has taken longer than originally anticipated due to challenges with capacity and competing priorities. In particular, the People Department have been working hard</p>

Audit	Executive Summary	Update	Assurance of Progress
	<p>sheets or not getting them signed off at all. This audit found that there was a lack of knowledge amongst Line Managers surrounding what to look for, and how to check time sheets. There were also still incidences of staff not submitting their time sheets on time, sometimes missing several months.</p> <p>A common theme through this audit was staff feeling as if the workload was too large to fit in to a 37-hour working week. This is resulting in too much time off in lieu to carry over into the next 4 weeks and a negative impact on staff wellbeing. The culture surrounding hours worked within the Service requires improvement as it is widely accepted that to meet productivity expectations, they must work overtime.</p>	<p>management and the policy around this. The flexitime policy is currently under review and is being updated to reflect the requirements in line with the new HR system. As the HR system gains more information, reporting will assist in undertaking a review of the effectiveness of the management of leave and absence.</p> <p>The management of workload and hours worked is an individual and a management responsibility. The new Personal Performance and Development (PPD) system is expected to be introduced by the end of September 2024 and will provide a mechanism to help ensure that this is subject to regular review. The 2024 People Survey is currently underway and provides one way for the management team to monitor staff morale. Capacity and prioritisation of work is to be considered by a Service Leadership Team meeting on 26 June 2024.</p>	<p>to successfully introduce the first modules of the new HR system. One of the high priority actions has been extended by 8 months: 454.</p>
<p>Recruitment and promotion 2022/23</p>	<p>Overall, the service appeared to be genuinely committed to principles such as diversity and inclusion within the workplace, however more work is needed to develop and embed these principles throughout the service and to improve the ability to monitor and report on progress.</p>	<p>One of the priorities of the new Senior HR Business Partner is to refresh the HR policy framework review; this work has an anticipated timescale for completion of 12 months. The creation of a new Recruitment policy and procedure is in development with an anticipated completion date of July 2024.</p>	<p>Whilst some progress has been made with half of the actions completed or closed, delivery of some actions has taken longer than originally anticipated due to challenges with capacity, competing priorities and issues with the development of the</p>

Audit	Executive Summary	Update	Assurance of Progress
	<p>It was recognised that significant work is currently underway that in the medium term should help to improve recruitment and promotion, including the introduction of a new Human Resources system, and the development of new and updated policies and procedures. To ensure the appropriate values and principles within the framework are embedded, improvements to manager training will also need to be introduced.</p>	<p>A review of the viability of the new recruitment module in the new HR system has been undertaken. Due to several significant work arounds, process compromises and reporting concerns, the decision was made in late February 2024 to cease the development of the recruitment module and to extend the current system for a further period to enable appropriate consideration. The work to consider options and procure a new module is underway.</p>	<p>recruitment module of the new HR system. Two of the high priority audit actions have been extended by more than 12 months: 532 and 539.</p>
<p>Organisational Safeguarding Assurance 2021/22</p>	<p>Safer Recruitment is achieved through due diligence but the Service cannot currently assure itself that all areas are covered or be confident in organisational safeguarding as it is currently structured, due to changes in legislation and the requirement that enhanced Disclosure and Barring Service (DBS) checks are needed to cover more roles within the Service.</p> <p>Significant improvement work is required to be undertaken in collaboration with People Services and supported by regular mandatory meetings for accountability and ownership.</p> <p>To ensure that regulation is in place, the Service needs to review and maintain a record of concerns and follow safer recruitment procedures,</p>	<p>Training package and competency framework developed and implemented in December 2023. Over 96% of staff have successfully completed the training and this will be an annual process.</p> <p>A review of the future of the Strategic Safeguarding Board is being considered with a view to establishing a regular meeting forum by September 2024.</p> <p>The Disclosure and Barring Service (DBS) has implemented operational changes based on new legislation that came into force in July 2023. This means that all fire service staff will be eligible for more rigorous standard DBS checks, where previously basic checks were completed. In order to meet these requirements, the Service has:</p> <ul style="list-style-type: none"> <li>• Implemented standard DBS checks for new starters.</li> </ul>	<p>Whilst some progress has been made in the delivery of training and developing and implementing a plan to meet the legislative changes related to DBS checks, there has been slippage in many other areas. This has been due to competing priorities for the Safeguarding Manager. Nine of the high priority audit actions have been extended by more than 12 months: 499, 500, 501, 502, 506, 510, 511, 519 and 522.</p>



Audit	Executive Summary	Update	Assurance of Progress
	<p>including DBS checks. There is also a need to ensure that all staff are aware of their responsibilities by line managers updating and aligning job descriptions (some that have not been reviewed for years) to accommodate Safeguarding, and or, safeguarding tasks.</p>	<ul style="list-style-type: none"> <li>• Identified roles that require enhanced DBS checks for staff who interact with people at risk or have access to critical information.</li> <li>• DBS check process review underway with timeline to undertake all staff standard DBS rechecks and to determine at what frequency the rechecks should be completed. The timeline to complete this is anticipated to be 18 months.</li> </ul> <p>Priorities now include launch of the Recruitment policy, development of the Safeguarding strategy, policy and processes and continued implementation of the revised DBS check process.</p>	
<p>Information Security – Availability of Systems 2021/22</p>	<p>There are a number of areas that present risks to the Service’s IT resilience and recovery should a significant security incident occur. These are by no means limited to IT Services themselves, and in some cases relate to broader corporate practices that could be strengthened. A number of recommendations were made to support the Service in increasing its IT resilience and recovery abilities, notably; increasing cyber threat knowledge at Senior and Member level to support and inform decision making; establishing an IT Security Board; ring fencing IT budget for specific IT security; testing cyber response plans; establishing knowledge management practices to</p>	<p>An initial cyber incident workshop took place in February 2024 which identified that good measures are in place. From this we have completed a review of all ISO and Cyber Assurance Framework actions and are working with partners to address these.</p> <p>Digital, Data and Technology (DDaT) staff are being upskilled to be able to respond effectively in the case of a cyber-attack.</p> <p>Cyber awareness sessions for middle managers took place in May 2024 and a cyber escape room exercise is planned for DDaT staff in July 2024.</p> <p>Following a recovery plan workshop with Gallaghers, a full review of a Disaster Recovery Plan is scheduled in July 2024.</p>	<p>Good progress has been made with just under half of the actions now closed. One of the high priority audit actions has been extended by more than 9 months (580) and one by more than 12 months (606) due to challenges with competing priorities.</p>

Audit	Executive Summary	Update	Assurance of Progress
	<p>minimise the risk of knowledge silos; greater integration between IT operational risk management practices and Corporate risk management; establishing a formal threat identification, management and response framework, including reporting to all relevant parties; evaluating requirements for disaster recovery provision; full data / system restores programme to provide assurance in relation to the effectiveness of the backup processes and ability to restore; and the need to review the Services cyber insurance provision.</p>	<p>There has been no movement in the insurance market for cyber removing this as one of our mitigation measures, so we are concentrating on awareness raising of cyber-attacks across the organisation.</p>	
<p>Use of Data 2021/22</p>	<p>The audit confirmed that there is a need to improve the use of data across the service. Officers within key service areas expressed concern over the data that they use to deliver services and whilst these views were to some degree anecdotal, repeating themes were being raised which clearly form a consensus regarding the need to improve the use of data for service delivery. Data systems are often impeded by a distinct lack of transparency, with service areas unable to extract relatively straightforward management information. There is a reliance on specialist teams and in house developed dashboards, to provide an</p>	<p>DDaT has introduced a new business relationship function, including a digital trainer. The role will support the development of digital skills across the service in the next 6 months.</p> <p>Data governance is currently under review. A new Information and Data strategy is being developed, which will create new data standards and data sets. Through the review, DDaT is in the process of completing a review of primary data sources through a system mapping process.</p> <p>Work has progressed with community safety teams to improve our data and this will be an ongoing piece of work.</p>	<p>Progress has been made but there is a significant amount of work to be undertaken and this has to be achieved alongside many other competing priorities hence slippage in some areas. One of the high priority audit actions has been extended by 10 months: 713.</p>

Audit	Executive Summary	Update	Assurance of Progress
	<p>element of reporting functionality. Root causes for the issues highlighted by key officers are often not straightforward but could consist of multiple elements which may be partly technical, cultural, internal or external.</p>	<p>The need for reporting is constantly evolving, driven by new legislation, projects, initiatives, and technology. Reporting systems must be designed to constantly adapt. This needs to apply not only to the technology, but its implementation and the processes and people that support it. A phased approach to the implementation and development of reporting systems has therefore been proposed. This will be focussed on early delivery of key requirements to deliver value and develop inhouse skills using standard industry technology (Power BI). We will align reporting and data systems with key initiatives such as the NFCC Fire Standards and the UK Government Data Quality Standards.</p> <p>Subsequent phases of work will improve flexibility and efficiency to deliver a flexible and agile reporting service.</p>	
<p>Personal Protective Equipment (PPE) 2021/22</p>	<p>The Service could not fully assure itself that adequate training is provided in how to use, store, and maintain PPE in accordance with the PPE at Work Regulations 1992.</p> <p>Examples were identified of staff wearing incorrect PPE to an incident or using it in a way that increases the risk of injury. This suggests that if training is taking place, refresher sessions and management</p>	<p>Structural PPE technical information for coat and trousers and Breathing Apparatus training manuals are in place. The Skills Dashboard includes the PPE helmet video and the Operational Assurance team monitor issues related to wearing of PPE at incidents.</p> <p>Further eLearning training on the fit and use of structural and lightweight PPE has not yet been developed due to the need for the team to focus on development of</p>	<p>The capacity of the Academy teams to develop training packages has impacted delivery of the actions. Three high priority actions (313, 321 and 324) have been extended by more than 7 months and two by more than 12 months (312 and 322)</p>

Audit	Executive Summary	Update	Assurance of Progress
	<p>intervention are required to maintain a higher level of assurance of compliance.</p> <p>Policies and procedures meet legislative requirements. However, there was a lack of assurance that they are read and understood by relevant members of staff.</p> <p>The storage of PPE varies across stations with PPE either stored in the appliance bay or a designated area. A lack of segregation of clean / dirty PPE and storing PPE in the appliance bay does not comply with regulations.</p>	<p>other training related to HAZMAT, lithium ion, Operational Risk Information, bariatric, explosives and information assurance which have been determined as higher priorities.</p> <p>Group Commanders are being reminded to check the completion of PPE logbooks.</p>	<p>with four of these related to training.</p>
Flexi Duty Rota 2021/22	<p>The audit concluded that the FDS, as operated within the Service, may not always be in the spirit in which the system was intended. Contingencies which the Policy states should be exceptional, have in many cases become the norm. There are potential risks to officer welfare and to the effective delivery of incident response.</p>	<p>The Flexi Duty Officer rota is currently being reviewed with a view to implementing a revised rota in January 2025. The policy has been reviewed.</p>	<p>Timelines have slipped because actions are reliant on implementation of a revised Flexi Duty Officer rota planned for January 2025. Six of the high priority audit actions have been extended by more than 12 months: 469, 470, 471, 472, 474 and 475.</p>